

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 4, 1996

SUBJECT: **SB 2987 - HB 2961**

This bill, if enacted, will repeal exemptions from the sales tax for books and magazines sold by mail, certain periodicals printed on newsprint, printing machinery and supplies, and certain direct mail advertising. The tax collected will be allocated to the Victims of Crimes Compensation Fund.

The fiscal impact from enactment of this bill is estimated to be an increase in revenues exceeding \$16,000,000 to the Victims of Crimes Compensation Fund. This impact is based on the estimate of revenue loss in FY96-97 due to newspapers being exempt as published in The Budget Document, FY 1996-97 and does not take into account the impact of the other currently exempted items. The impact also assumes that all revenues collected by state and local governments for this purpose will be allocated to the Victims of Crimes Compensation Fund.

The fiscal impact is also estimated to be a one-time increase in state expenditures of \$46,000 for computer system modifications.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director